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**Russia – Notification
Requirements for Russian
Citizens with Foreign
Residence Permits**

by KPMG, Russia (a KPMG
International member firm)

flash Alert

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Under the terms of a new Russian law, Russian citizens who are also citizens of a foreign country or have a permanent residence permit of a foreign country (or other valid document confirming their right to permanently reside in a foreign country), are required to provide notification to the Russian authorities.

The appropriate Notification forms are now available.

Why This Matters

Employers should determine if their international assignees of Russian citizenship are covered under the new law. Following this determination, they need to communicate the new notification rules and requisite procedures to affected employees. Failure to provide the required notification on a timely basis could result in penalties and other sanctions.

On 4 August 2014 Federal Law No. 142-FZ "On Amendments to Articles 6 and 30 of the Federal Law 'On Russian Citizenship' and Separate Legislative Acts of the Russian Federation" (hereinafter, "the Law") entered into force.

The Law requires all Russian citizens who are also citizens of a foreign country or have a permanent residence permit of a foreign country (or other valid document confirming their right to permanently reside in a foreign country) – hereinafter, "Holders" – to provide such notification to the Russian immigration authorities, with the exception of the following categories:

- Holders residing outside Russia on a permanent basis;
- Cases covered by relevant international agreements (for example, agreements on the resolution of issues of dual nationality).

Information Requirements of the Notification Form and the Submission Process

The Notification forms can be found at:

- http://www.fms.gov.ru/russian_national/inoe_grazhdanstvo/ ; and/or
- at local offices of the Russian immigration authority; and/or
- at Russian post offices.

The form requires the disclosure of the Holder's personal data and details about the foreign citizenship/foreign residence permit. The Notification should be submitted together with documents that substantiate the reported information, in other words, a

copy of the individual's Russian civil passport and a copy of a foreign passport/permanent residence permit (legal replacement).

A separate Notification should be submitted for each additional citizenship/residence permit.

The Notification should be submitted to the local office of the Federal Migration Service (FMS) according to the individual's permanent residence address, or temporary residence address, or the address of temporary stay in Russia. Alternatively, the Notification may be submitted by Russian mail/post to the relevant local office address of the FMS. Both options require the Holder's presence in Russia for the submission process. (This means that the Holder should physically go to his or her local FMS office or the Russian post office and deliver the Notification. The Holder cannot send the Notification while outside of Russia, or rely on a power of attorney.)

The Notification should be submitted within 60 days of the emergence of the obligation – in other words, as soon as the person learns that he or she is a Russian citizen who is also a citizen or permanent resident of a foreign country. In respect of existing individual Holders as at 4 August 2014, this 60-day period should be counted from this date. In respect of Russian citizens, who obtain foreign citizenship or a foreign residence permit after 4 August 2014, the 60-day period starts from the date when the individual actually obtains his or her foreign citizenship/residence permit in the other country.

In the case of Crimea, these requirements will apply from 1 January 2016 to Russian citizens who acquire Russian citizenship following Crimea's accession to the Russian Federation.

Penalties for Violations of the Notification Rules

Failure to provide notification could result in criminal liability in the form of a penalty (up to RUB 200,000 or annual salary (other income) of the convicted individual) or compulsory community service for up to 400 hours.

Failure to duly comply with the Notification procedure could trigger administrative liability in the form of a penalty (RUB 500-1,000).

KPMG Note

It is advisable that Holders assess and confirm their obligations to submit Notification(s) and, if applicable, to keep a copy of the filed Notification(s) in their files.

Employers' global mobility departments or professionals responsible for the provision of immigration services may wish to communicate these new procedures to their employees who may be covered by the new rules.

RUB 1 = EUR 0.0193
RUB 1 = USD 0.0245
RUB 1 = 0.0154

For further information or assistance, please contact your local KPMG Global Mobility Services (GMS) or People Services professional, or one of the following professionals with KPMG in Russia:

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The information contained in this newsletter was submitted by the KPMG International member firm in Russia. The information contained herein is of a general nature and based on authorities that are subject to change. Applicability of the information to specific situations should be determined through consultation with your tax adviser.

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